

**Florida Health Maintenance Organization  
Consumer Assistance Plan  
Investment Report  
As of September 30, 2023**

The Florida Health Maintenance Organization Consumer Assistance Plan ("FHMOCAP") diversifies its investment options to provide the maximum safety, availability, and rate of return for its funds.

One of the FHMOCAP's primary investment vehicles is the State of Florida's Special Purpose Investment Account ("SPIA"). In addition, pursuant to the Investment Advisory Policy approved by the FHMOCAP Board of Directors, funds are also invested in certificates of deposit ("CDs") and money market accounts at Wells Fargo. Finally, the FHMOCAP maintains a checking account at Wells Fargo.

<i>Bank</i>	<i>Account Type</i>	<i>Balance as of September 30, 2023</i>	<i>Interest Rate</i>
Florida Treasury	SPIA	\$4,224,536.94	Variable
Wells Fargo	Money market	\$275,286.27	0.15% current variable APY
Wells Fargo	Checking	\$20,951.24	n/a
Wells Fargo	CD Ladder	\$5,703,787.81	Ranges between 0.250% and 5.100%, 24 CDs
<b>Total:</b>		\$10,224,562.26	

SPIA is an optional investment program. This program offers liquidity to participating organizations, and it provides returns that often exceed money market rates. These returns are made possible because the stable level of investible funds allows the placement of approximately half of the portfolio in intermediate term bonds.

In March 2015, The SPIA program requirements changed. Before this date, the program was open to all entities established by the Florida Constitution or Florida Statutes. After March 2015, participation is limited to state agencies and component units of the state. Current non-component unit participants, such as the FHMOCAP, are allowed to stay in the program with limits. First, the FHMOCAP is not allowed to contribute new funds to its investments at SPIA. Second, the FHMOCAP is subject to limits on the amount of funds it can withdraw. The FHMOCAP is allowed an "immediate" withdrawal of approximately 40% of its funds deposited with SPIA, and the FLHMOCAP may withdraw the rest of its funds with 6 months' notice.

During calendar year 2023 through August 2023, net rates of return for the SPIA investments have varied from 1.6629% (FEB 2023) to 2.6965% (JUL 2023) with an average net rate of return of 2.1695%. As of September 30, 2023, the balance in the SPIA account was \$4,224,536.94.

In addition to the SPIA account, the FHMOCAP has a Money Market Account and a Laddered Portfolio of Brokered Certificate of Deposit Account containing 23 CDs.

The Wells Fargo Money Market Account is used to reduce the number of transfers from the SPIA accounts to the Wells Fargo Checking account for payments for operating expenses for the FHMOCAP. This account assures the availability of immediate withdrawal of funds to cover operating costs for the FHMOCAP should funds at the SPIA not be available for same-day withdrawal. The goal is to maintain at least \$30,000 in this account at all times. The current balance in the account is \$275,286.27 and the current variable rate of return is 0.15%.

Because of the timing in the sale of existing CDs and the purchase of new ones, the balance in the Wells Fargo Money market Account can vary significantly, and the current money market balance will be reduced as a CD is purchased.

The Wells Fargo CD Ladder Account, which was opened in January 2012, currently includes 24 CDs totaling \$5,703,787.81. Included in the amount is interest of \$3,787.81 and will be transferred to the Money Market Account on 10-2-23. The amount of each CD is within the FDIC insurance limit of \$250,000, and all of the CDs have terms of less than 60 months. Currently, the rate of return ranges from .250% to 5.100%. On May 22, 2014, the board revised the investment policy/guidelines allowing for up to 50% of the value of funds held by the HMOCAP to have maturity dates exceeding 24 months, but no maturity dates shall exceed 60 months (this change in policy does not apply to funds held with SPIA). At that time, pursuant to the Wells Fargo Advisor, the rates were approximately 2% for 60-month CDs and approximately 0.5% for CDs with maturities of 24 months or less. Currently, 73.68% of our CDs have remaining terms less than or equal to 24 months while 26.32% have remaining terms greater than 24 months, but less than or equal to 60 months. Wells Fargo continues to stay within the guidelines set forth by the board. The laddered CD program helps give the FHMOCAP liquidity and a stable source of income.

We will continue to monitor Money Market and CD rates to ensure that the FHMOCAP receives the safest maximum return on its investments.

The balance of FHMOCAP funds are retained in a Wells Fargo checking account.